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C O N F I D E N T I A L SECTION 01 OF 03 KAMPALA 001365

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TAGS: PGOV KDEM EINV PINR UG

SUBJECT: UGANDA: NEW LAND REFORMS TARGET BUGANDA KINGDOM

AND BAGANDA LAND HOLDERS

REF: KAMPALA 01075

Classified By: Political Officer Tim Manarin for reasons 1.4 (b) and (d).

 $\P 1.$ (C) Summary: Parliament ratified Uganda's controversial Land Amendment Bill on November 26, after more than two years of wrangling between the Ugandan government and the Buganda Kingdom. The bill now awaits President Museveni's signature. Museveni revived the legislation in September after the deadly September 10-12 riots, claiming the bill protects peasants from illegal evictions. The vast majority of the land affected by the legislation - around 85 percent - falls within Buganda, however, and provisions enabling the government to fix rent controls will diminish the Kingdom's primary source of revenue. Baganda leaders oppose the bill and fear the government will use the reforms as a pretext for ceding Baganda-owned lands in central Uganda and oil-rich western Uganda to foreign investors. Opposition parties, meanwhile, regard the land bill as a short-term ploy to weaken the Kingdom and win back peasant voters. Whatever one's political perspective, if signed the bill will complicate Uganda's already Byzantine land ownership regime and further worsen relations between the central government and Buganda. End Summary.

Buganda Loses Land Reform Debate

- 12. (C) A main point of contention between the Government of Uganda (GOU) and the Buganda Kingdom grew more contentious on November 26 with Parliament's passage of the 2007 Land Amendment Bill. Formally introduced to Parliament in February 2008, the bill had been on hold due to Buganda's active public campaign against it. Museveni revived the amendment in his September 15 address to Parliament, apparently in retaliation for the deadly September 10-12 pro-Buganda riots that left more than two dozen people dead (reftel). The land bill emerged from committee on November 17 and was passed ten days later after a contentious debate that included Buganda Kingdom appeals for ethnic Baganda MPs to disregard party affiliations and support their King. In the end, Parliamentarians voted largely along party lines with only three Baganda National Resistance Movement (NRM) MPs breaking from the NRM to vote with the opposition. The bill now awaits the President's signature.
- ¶3. (U) The amendment requires a court order to evict "bona fide" tenants from privately held "registered" land, and sets failure to pay ground rent for at least six months as the only legal justification for evicting tenants. Just who qualifies as a "bona fide" tenant is unclear. Under current Ugandan law, squatters become bona fide tenants if they are living on government land or have lived unchallenged on "registered" land for at least 12 years. The bill invests the Minister of Land with the authority to determine ground

rent for properties whose values have not been assessed by district land boards. Private land owners guilty of evicting bona fide tenants now face up to seven years imprisonment or a \$1,000 fine. The bill gives sitting tenants the right of first refusal if a landowner seeks to occupy lands, and tenants likewise must give landowners first crack at purchasing back occupancy rights.

- 14. (U) By focusing on only "registered" land, the legislation clearly targets Buganda land holdings under the "mailo" land tenure system. Mailo which comes from the English word "mile" is one of four land tenure systems recognized by the Ugandan constitution. Other tenure systems are customary, freehold, and leasehold. Less than 20 percent of land in Uganda is classified as registered or "mailo" land. Mailo lands were created by a 1900 agreement with the British colonial government giving the Buganda Kingdom and elite Baganda families vast land titles in perpetuity. People living on these lands reverted overnight to tenant status, forced to pay rent to unknown Baganda landlords.
- 15. (U) Subsequent colonial laws attempted to protect pre-existing traditional land owners turned tenants, known locally as "bibanja", from arbitrary eviction or unreasonable rent requirements. In 1998, Uganda officially recognized the rights of tenants present on registered land for at least 12 years, but did not levy any penalties for illegal evictions. According to the Ministry of Land, there are currently 600,000 registered or mailo land owners in Uganda, as opposed to more than 20 million tenants or customary land holders. Buganda contains approximately 85% of registered lands affected by the new legislation.

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Government vs. Buganda, Again

- 16. (U) Prime Minister Apollo Nsibambi and other government officials justified the legislation by highlighting growing reports of illegal evictions and land-related violence sparked by rising land values and exponential population growth. During the November debate over the bill, Nsibambi said the reforms were needed to "avoid a major war" between landlords and landless peasants. Nsibambi said continued displacement of bibanja tenants would lead to increased domestic instability by swelling the numbers of urban unemployed. Nsibambi acknowledged that the land bill is a short term solution and that larger land problems must await the eventual creation of a National Land Policy. The Ministry of Land spokesman, Dennis Obbo, reiterated this point on December 4, stating that the bill is an interim measure and that questions of dual ownership and land rights will ultimately be determined by the National Land Policy expected in 2010 or 2011.
- 17. (C) On November 9, Buganda's Attorney General Apollo Makubuya told Poloff that the bill weakens Buganda's claim to 9,000 square miles the Kingdom has long sought to recover from the central government. Makubuya interpreted the bill as a direct affront to the Buganda King, who is one of Uganda's largest landowners, and said investing the Minister of Land with the power to fix rent controls could severely diminish the Kingdom's and private Baganda land owner's main source of income. Opposition MPs expressed these concerns, describing the Minister of Land's new authority to determine local rents on registered land as a major power grab since few administrative districts have operational land boards.
- 18. (C) Attorney General Makubuya said Parliamentary debate on the bill only sharpened the focus on Buganda by removing a provision on customary land holdings that would have applied to owners and tenants throughout Uganda. He described the bill as an election ploy to bolster sagging support for Museveni among peasant classes by tapping into long-standing

angst directed at Baganda landowners, and predicted that the legislation will increase rather than decrease tensions between local tenants and largely absent Baganda landlords. Makubuya also expressed concern that government officials will use the amendment as a pretext for seizing mailo land for investors in central Uganda and oil rich western Uganda by hiring squatters that Baganda landlords will be powerless to evict.

19. (U) Following the bill's passage, Buganda's Prime Minister John Baptist Walusimbi said the Kingdom regarded the bill as an "idle piece of legislation." On November 30, the Buganda Parliament passed a resolution asking Attorney General Makubuya to consider challenging the land bill's constitutionality. Members of the Buganda Parliament described the bill's passage as a sign of the President Museveni's continued unwillingness to compromise with the Kingdom and the futility of the ongoing negotiations with the central government.

The Catholic Church's View

110. (U) The bill does not appear to impact another of Uganda's major land owners - the Catholic Church - as most of the Church's land is "freehold." The Church has been following the land bill closely, however, and the Archbishop of the Kampala archdiocese, Kizito Lwanga, said that while the bill affords some needed protections for tenants, it could prevent the Catholic Church from evicting tenants who erect churches that attack Catholicism despite existing on Catholic land. Lwanga complained that fixed rent rates set by the Minister of Land will be so low that peasants will be able to pay for 100 years at one shot, and questioned the wisdom of ceding this power to the Land Minister. Lwanga also said requirements regarding the issuance of "certificates of occupancy" to tenants will result in dual ownership problems that will complicate both owners' and tenants' ability to secure bank loans.

Comment: Protecting Peasants by Punishing Buganda

111. (C) If, as some suspect, the NRM is using the bill to further undermine Buganda and score short-term

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political points with "bibanja" tenants, Parliamentary passage is a victory for Museveni. However, the bill does little to untangle Uganda's land issues and in some respects makes matters worse. By focusing on registered land, the bill ignores the 80 percent of Uganda's land that falls under customary tenure. Likewise, rampant mismanagement and forgeries in the existing land registry make it very difficult to determine whether an occupant meets the definition of a bone fide tenant. The bill may embolden illegal squatters, and affords the Land Minister considerable powers to regulate relations between private landlords and tenants. Banks have indicated that the bill will make it more difficult for lenders to accept land as collateral for loans, as it further clouds already unclear land ownership issues. Directly aimed at the Buganda Kingdom and seeking to win peasant votes for the NRM, this bill will make Uganda's land reform debate even contentious. The GOU will hold a national stakeholders conference in February 2010 to hash out the comprehensive National Land Policy scheduled to be submitted to Cabinet for review by mid-2010. LANIER